

What is the current North San Jose policy?

The City's current Policy was adopted in 1988 as part of a collaborative effort with Milpitas, Sunnyvale, Mountain View, Palo Alto and Santa Clara County to address regional traffic problems. The most visible element of the Policy is a Floor Area Ratio (FAR) cap that limits development to an FAR of 40% for sites located within 2000 feet of a light rail station and to an FAR of 35% for the rest of North San Jose. (Floor Area Ratio is the ratio of total building square footage to total land area square footage for a particular property.) As a result of this restriction, typical development in the area is limited to one or two-story buildings and surface parking lots.

What are the benefits to the community from this project?

Smart Growth (Good Planning)

San Jose is healthy and growing. Adding jobs is an important part of that growth. Good planning will help to ensure that growth will have a positive impact upon our shared quality of life. The proposed Policy update is a blueprint to proactively guide growth in the best direction, with the best outcomes for our neighborhoods, businesses and San Jose community.

Because industrial land is a precious resource for San Jose, the City would like to make better use of the North San Jose area consistent with regional traffic management goals and smart growth planning principles. Intensification of the North First Street corridor will encourage greater use of the VTA light rail system and other existing infrastructure while reducing growth pressure upon the City's outlying areas.

- **Guide growth to minimize impacts upon City resources** – The Policy Update sets forth a more efficient approach to land use, including mixed-use development.
- **Build higher density development along transit system** – The Policy Update promotes increased use of public transportation by concentrating development along the existing transit system.
- **Provide new housing in close proximity to new jobs** – The Policy Update proposes the addition of more housing choices at strategic locations in North San Jose.
- **Protect existing neighborhoods** – The project will protect the character of existing neighborhoods by preserving the safety and walkability of neighborhood streets (including bicycle lanes) and limiting the amount of traffic traveling through these residential areas.

Transportation Improvements

By creating the capacity for new development, the project will generate potential funding for roadway improvements throughout the City. New development that occurs within the project area will include a contribution through an assessment district and/or development impact fees that will be used to build roadway and pedestrian improvements.

- **Provide funding for roadway improvements** – Full build-out of the industrial development allowed under the new policy would provide funding for approximately \$370 million of improvements to area freeways, expressways and local street intersections. A specific list of improvements has been identified and its exact cost is being further studied.
- **Funding for Downtown Couplet conversion project** – A portion of this funding would be used to pay for several traffic calming projects in the Downtown area. These include the conversion of one-way portions of 10th and 11th streets north of Santa Clara, Julian and St. James streets east of 4th Street, Almaden and Vine streets south of 280, and 2nd and 3rd streets south of 280 to two-way streets. The traffic calming project also includes, narrowing 10th and 11th streets south of Santa Clara from 3 lanes to 2.

Economic Benefit

Facilitating industrial development in North San Jose provides economic benefits to the City as a whole.

- **Fosters job growth for San Jose residents** – The Policy Update would encourage companies to locate and grow in North San Jose.
- **Increased property values improve funding for City services** – The Policy Update would result in the improvement of properties within the City and the Rincon Redevelopment Area, providing additional tax increment funding for City services.

What policies exactly will be updated?

Development in North San Jose is currently regulated by several different policies. The North San Jose planning effort will address each of these:

- **New Area Development Policy** – Revisions to the current FAR cap are the central element to implement the planning effort's vision and objectives for North San Jose.
- **New General Plan Designations** – The Policy Update will include several changes to the City's General Plan, including designation of the Urban Corporate Center area and new residential and commercial areas.

- **New Community Facilities District and Deficiency Plan** – The City is continuing to work with property owners to explore various methods to establish an equitable funding mechanism for necessary transportation improvements.
- **New Flood Policy** – The Policy Update provides an opportunity to incorporate updated flood zone maps to allow more intense building coverage.
- **New Rincon de Los Esteros Redevelopment Area EIR** – The Policy Update requires preparation of an Environmental Impact Report (EIR). The new EIR will provide environmental clearance for the public and private projects included within the project.